



SACHI A. HAMAI  
Interim Chief Executive Officer

County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

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*"To Enrich Lives Through Effective And Caring Service"*

Board of Supervisors  
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Fifth District

June 09, 2015

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

16 June 9, 2015

  
PATRICK OZAWA  
ACTING EXECUTIVE OFFICER

**APPROVAL OF CONTRACT WITH HINDERLITER, DE LLAMAS AND ASSOCIATES  
FOR SALES AND USE TAX AUDITING SERVICES  
(ALL DISTRICTS - 3 VOTES)**

**SUBJECT**

The Interim Chief Executive Officer recommends that the Board of Supervisors approve a contract with Hinderliter, de Llamas and Associates (HdL) to provide sales and use tax auditing services involving examining and researching sales or transactions and use tax records to identify misallocated revenues from the State Board of Equalization (BOE) that were not previously discovered by the County.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and instruct the Mayor to sign the attached Contract for Sales and Use Tax Auditing Services with HdL, commencing upon the date of approval by the Board of Supervisors or July 1, 2015, whichever is later, and terminating on June 30, 2020, with two one-year renewal options and six one-month periods, at a contract rate contingent on the amount of incremental sales and use tax revenue received by the County from the BOE, on a tiered fee structure as follows:

- 15 percent of the first \$1,000,000 in sales and use tax revenues recovered per petition;
- 10 percent on recoveries from \$1,000,001 to \$2,500,000; and
- 5 percent for recoveries \$2,500,001 and up (Attachment A).

2. Authorize the Interim Chief Executive Officer, or designee, to approve and execute amendments to the Contract for Sales and Use Tax Auditing Services that exercise the two one-year renewal options and six one-month periods, upon approval as to form by County Counsel.

3. Authorize the Interim Chief Executive Officer, or designee, to approve and execute amendments to the Contract for Sales and Use Tax Auditing Services for:

a) non-material changes; b) modifications related to assignments of the Contract for Sales and Use Tax Auditing Services pursuant to Sub-paragraph 8.2.1 of the Contract for Sales and Use Tax Auditing Services; and

c) additions and/or changes to certain County of Los Angeles (County) standard terms and conditions as required by the Board of Supervisors or its designee, upon approval as to form by County Counsel.

4. Adopt the attached Resolution of the Board of Supervisors of the County of Los Angeles Authorizing Examinations Sales or Transactions and Use Tax Records to authorize HdL to receive and review sales or transactions and use tax records from the BOE so they may identify misallocated revenues (Attachment B).

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended actions is to provide sales and use tax auditing services for the County and to replace the existing contract with HdL, which is set to expire on June 30, 2015. The recommended actions are a result of a competitive bid proposal process. The recommended Contract for Sales and Use Tax Auditing Services (Contract) will commence July 1, 2015, or on the date of approval by the Board of Supervisors (Board), whichever is later, and will terminate on June 30, 2020, with two one-year renewal options and six one-month periods (or “month-to-month extensions”).

The County currently receives approximately \$45.0 million in annual revenue from the collection of local sales and use tax generated in the unincorporated areas of the County. In-house efforts to identify many of the common errors related to misallocated tax revenues have proven beneficial to the County. However, the requested auditing services are highly technical and specialized, and the County does not have the available resources to identify the more complex sales or transactions and use tax misallocation errors. The recommended agreement will help identify these errors, resulting in increased sales and use tax revenues to the County.

Contractor access to County sales or transactions and use tax records can only be authorized by the Board of Supervisors through a resolution to the BOE. Board approval of the attached resolution will allow HdL access to County sales or transactions and use tax records as required by the BOE for the purpose of identifying misallocated revenues.

### **Implementation of Strategic Plan Goals**

Consistent with County Strategic Plan Goal 1 – Operational Effectiveness/Fiscal Sustainability, this agreement will maximize County sales and use tax revenues.

### **FISCAL IMPACT/FINANCING**

HdL’s tiered contingency fee ranges from 5 to 15% of the new sales and use tax revenues identified and recovered, limited to (9) consecutive quarters. The tiered contingency fee structure enables the County to contain costs associated with high-value sales and use tax recoveries and significant one-time allocations.

There will be no compensation paid to the contractor until the BOE approves HdL's claim and the County begins receiving the sales and use tax revenues as a result of the audit process.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The County has continuously contracted for sales and use tax auditing services since 1993. The Chief Executive Office currently contracts for sales and use tax auditing services under existing Contract No. 77282, which was approved by the Board on June 1, 2010. The recommended Contract will provide continued sales and use tax auditing services for the County for a five year term that terminates on June 30, 2020, with County options to extend by two one-year terms and six one-month terms for a potential maximum contract term of seven years and six months. The recommended Contract includes all required Board contract provisions and has been approved as to form by County Counsel.

Board approval of the attached Resolution of the Board of Supervisors of the County of Los Angeles Authorizing Examinations Sales or Transactions and Use Tax Records is required by California Revenue and Taxation Code section 7056 in order for HdL to access County sales or transactions and use tax records maintained by the BOE for the purpose of identifying misallocated revenues.

## **CONTRACTING PROCESS**

On December 10, 2014, the Chief Executive Office released a Request for Proposals (RFP) for Sales and Use Tax Auditing Services, posting the solicitation and contracting opportunity announcement on the County's "Doing Business With Us" bid website. An automated electronic mail notice of the RFP was also sent to a combined total of 561 vendors registered with the County under the commodity class Consulting Services, sub-class Consulting – Accounting/Auditing/Budget; and commodity class Financial Services, sub-class Auditing Services.

The proposal submission deadline was January 21, 2015. A total of two firms responded with proposals by the due date: HdL; and MuniServices, LLC. The proposals were reviewed using an initial screening on a pass/fail basis to determine if the proposals met the minimum requirements. The initial screening was consistent with the Selection Process and Evaluation Criteria set forth in the RFP. Additionally, the County's Informed Averaging scoring methodology was utilized. Proposals were evaluated and scored using a standard evaluation tool and rated on the following criteria: proposer's qualifications; proposer's approach to provide required services, quality control plan and green initiatives; exceptions to the terms and conditions of the sample contract and/or requirements of the statement of work; and cost/contract rate. The evaluation was conducted by an Evaluation Committee comprised of members from the Chief Executive Office and the Internal Services Department. Both firms were also invited for and attended verbal presentation meetings in February 2015. Based on the evaluation of the proposals, it is recommended that the contract be awarded to HdL, the highest-rated, most responsive and responsible of the proposals evaluated. A debriefing was offered to the non-recommended proposer; MuniServices, LLC, and the proposer requested and received a debriefing.

On final analysis and consideration of the award, the recommended contractor was selected without regard to gender, race, color, creed or national origin.

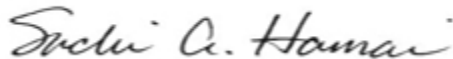
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended Contract will continue the utilization of sales and use tax auditing services to assist the County in ensuring the maximization of sales and use tax revenues that are used to finance critical services that are provided to the residents of Los Angeles County.

**CONCLUSION**

Upon approval by the Board, it is requested that the Executive Office, Board of Supervisors, return three copies of the executed Contract, Resolution, three certified copies of the Minute Order, and the adopted, stamped Board letter to the Chief Executive Office, Finance Division, attention Vicky To.

Respectfully submitted,



SACHI A. HAMAI  
Interim Chief Executive Officer

SAH:JJ:SK  
SK:MM:VT:yjf

Enclosures

**SALES AND USE TAX AUDITING SERVICES  
CONTRACT**



## **CONTRACT**

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**

**AND**

**HINDERLITER, DE LLAMAS AND ASSOCIATES**

**FOR**

**SALES AND USE TAX AUDITING SERVICES**

**CONTRACT  
FOR  
SALES AND USE TAX AUDITING SERVICES**

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AND USE TAX RECORDS

**CONTRACT  
BY AND BETWEEN  
COUNTY OF LOS ANGELES  
AND  
HINDERLITER, DE LLAMAS AND ASSOCIATES  
FOR  
SALES AND USE TAX AUDITING SERVICES**

This Contract and Exhibits made and entered into this 9th day of June, 2015 by and between the County of Los Angeles, hereinafter referred to as County, and Hinderliter, de Llamas and Associates, hereinafter referred to as Contractor. Hinderliter, de Llamas and Associates is located at 1340 Valley Vista Drive #200, Diamond Bar, CA 91765.

**RECITALS**

WHEREAS, the County may contract with private businesses for Sales and Use Tax Auditing Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing Sales or Transactions and Use Tax Auditing Services; and

WHEREAS, the County is authorized under California Government Code Section 31000 to enter into contracts for such special services; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

**1.0 APPLICABLE DOCUMENTS**

Exhibits A, B, C, D, E, F, G, H, I, J, and K, are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the

definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority:

1.1 EXHIBIT A - Statement of Work

TECHNICAL EXHIBITS

A-1 CONTRACT DISCREPANCY REPORT

A-2 PERFORMANCE REQUIREMENTS SUMMARY CHART

1.2 EXHIBIT B - Pricing Sheet

1.3 EXHIBIT C - Intentionally Omitted

1.4 EXHIBIT D - Contractor's EEO Certification

1.5 EXHIBIT E - County's Administration

1.6 EXHIBIT F - Contractor's Administration

1.7 EXHIBIT G - Contractor Acknowledgement and Confidentiality

1.8 EXHIBIT H - Jury Service Ordinance

1.9 EXHIBIT I - Safely Surrendered Baby Law

1.10 EXHIBIT J - Contractor's Assignment and Transfer of Copyright

1.11 EXHIBIT K - A Resolution of the Board of Supervisors of the County of Los Angeles Authorizing Examination of Sales or Transactions and Use Tax Records

This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No changes to this Contract shall be valid unless prepared pursuant to Paragraph 8.1, Amendments, of this Contract, and signed by both parties.

References in this Contract to Federal, State and/or other governmental statutes, codes, rules, regulations, ordinance, guidelines, directives and/or

policies, including those copies of which are attached to this Contract, shall mean and shall be to such statutes, codes, rules, regulations, ordinance, guidelines, directives and/or policies as amended from time to time.

## 2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 **Contract:** Agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A, of the Contract.
- 2.2 **Contractor:** The sole proprietor, partnership, or corporation that has entered into a contract with the County to perform or execute the work covered by the Statement of Work.
- 2.3 **Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.4 **County Program Director:** Person designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County Program Manager, as further described in Paragraph 6.1, County Program Director, of the Contract.
- 2.5 **County Program Manager:** Person designated by the County Program Director to manage the operations under the Contract, who shall be responsible for overseeing the day to day activities of this Contract and has the responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor, as further described in Paragraph 6.2, County Program Manager, of the Contract.
- 2.6 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.7 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.8 **Geocoding:** A process of determining and coding where street addresses fall within governmental boundaries.

- 2.9 **Point of Sale:** The place of the sale or purchase of tangible personal property where the property is physically located at the time the act constituting the sale or purchase takes place.
- 2.10 **Sales Tax:** Imposed upon retailers for the privilege of selling tangible personal property at retail.
- 2.11 **Use Tax:** Imposed upon the storage, use or other consumption in California of tangible personal property purchased from a retailer. Use tax applies to purchases shipped from out-of-state point to a California consumer.

### **3.0 WORK**

- 3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.
- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

### **4.0 TERM OF CONTRACT**

- 4.1 The term of this Contract shall commence upon the execution by the County of Los Angeles Board of Supervisors (Board) or on of July 1, 2015, whichever is later, and shall terminate on June 30, 2020, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2 The County shall have the sole option to extend the term of this Contract for up to two (2) additional one-year periods and six (6) one-month periods (or "month-to-month extensions"), for a maximum total Contract term of seven (7) years and six (6) months. Each such option and extension shall be exercised at the sole discretion of the Chief Executive Officer (CEO) or designee as authorized by the Board of Supervisors in accordance with Paragraph 8.1, Amendments, of the Contract.
- 4.3 The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

- 4.4 The Contractor shall notify the County when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to the County Program Manager at the address herein provided in Exhibit E, County's Administration, of the Contract.

## **5.0 CONTRACT SUM**

### **5.1 Maximum Contract Rate and Contact Fees**

- 5.1.1 The Contractor shall provide all work under this Contract and shall be paid at the Contract Rate set forth in Exhibit B, Pricing Sheet, of this Contract.
- 5.1.2 Contract fees shall be derived from an agreed percentage share of incremental sales and use tax revenues recovered as determined by the County (refer to Exhibit B, Pricing Sheet, of this Contract).
- 5.1.3 The County shall have no obligation for payment of fees for any work performed by the Contractor except for the work expressly authorized pursuant to the Contract.
- 5.1.4 In no event shall the Contractor be entitled to compensation exceeding the rates or fees set forth in in Exhibit B, Pricing Sheet, of this Contract, unless the Contract is amended in writing pursuant to Paragraph 8.1, Amendments, of the Contract.
- 5.2 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the County's express prior written approval.
- 5.3 The Contractor shall maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Contract, if applicable. Upon occurrence of this event, the



Contractor shall send written notification to the Chief Executive Office at the address herein provided in Exhibit E, County's Administration, of the Contract.

**5.4 No Payment for Services Provided Following Expiration/Termination of Contract**

The Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Contract.

**5.5 Invoices and Payments**

5.5.1 The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit A, Statement of Work, of the Contract and elsewhere hereunder. The Contractor shall prepare invoices, which shall include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor's payments shall be as provided in Exhibit B, Pricing Sheet, of the Contract, and the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment shall be due to the Contractor for that work.

5.5.2 Contractor shall submit a summary quarterly invoice for the period billed and the total due. In addition, an itemized invoice will be provided to the County Program Manager. The itemized invoice shall be presented in a Microsoft Excel format, preferably by electronic transmission, including the following information:

- A) Reporting payment period (e.g., quarter)
- B) State Board of Equalization (BOE) firm identification number
- C) Firm name

- D) Recovery percentage applicable
- E) Date of knowledge
- F) Quarter of correction
- G) Number of billable units (e.g., quarters, months)
- H) Number of units invoiced to date
- I) BOE regular payment
- J) BOE fund transfer amount
- K) Quarterly total
- L) Invoice amount due

The invoice amount due will reflect the agreed upon percentage of all new sales and use tax revenue amounts received by the County due to the work of the Contractor. Electronic transmission of invoices shall be to the address designated by the County Program Manager.

#### **5.5.6 County Approval of Invoices**

All invoices submitted by the Contractor for payment must have the written approval of the County Program Manager prior to any payment thereof. In no event shall the County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld.

#### **5.5.7 Local Small Business Enterprises – Prompt Payment Program (if applicable)**

Certified Local Small Business Enterprises will receive prompt payment for services they provide to County departments. Prompt payment is defined as fifteen (15) calendar days after receipt of an undisputed invoice.

#### **5.6 Intentionally Omitted**

## **6.0 ADMINISTRATION OF CONTRACT - COUNTY**

### **COUNTY ADMINISTRATION**

A listing of all County Administration referenced in the following subparagraphs are designated in Exhibit E, County's Administration, of the

Contract. The County shall notify the Contractor in writing of any change in the names or addresses shown.

## **6.1 County Program Director**

Responsibilities of the County Program Director include:

- ensuring that the objectives of this Contract are met; and
- providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements.

## **6.2 County Program Manager**

County Program Manager is responsible for overseeing the day-to-day administration of this Contract. The County Program Manager reports to the County Program Director. The responsibilities of the County Program Manager include:

- meeting with the Contractor Project Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

The County Program Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

# **7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR**

## **7.1 Contractor Project Manager**

7.1.1 The Contractor Project Manager is designated in Exhibit F, Contractor's Administration, of the Contract. The Contractor shall notify the County in writing of any change in the name or address of the Contractor Project Manager.

7.1.2 The Contractor Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall coordinate with County Program Manager on a regular basis.

- 7.1.3 The Contractor Project Manager must have a minimum of five (5) years of experience within the last ten (10) years, providing sales and use tax auditing services to governmental entities and a minimum of three (3) years of experience within the last five (5) years working with the California State Board of Equalization (BOE). The Contractor Project Manager and/or alternate shall be available during business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, for telephone contacts and meetings.

## **7.2 Approval of Contractor's Staff**

County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor Project Manager.

## **7.3 Contractor's Staff Identification**

Contractor shall provide, at Contractor's expense, all staff providing services under this Contract with a photo identification badge, identifying employee by name and physical description and the name of the company.

## **7.4 Background and Security Investigations**

7.4.1 Each of Contractor's staff performing services under this Contract who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.

7.4.2 If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be immediately removed from

performing services under the Contract at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.

7.4.3 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.

7.4.4 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.4 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

## **7.5 Confidentiality**

7.5.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

7.5.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.5, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.5 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own

counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

7.5.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.

7.5.4 Contractor shall sign and adhere to the provisions of Exhibit G, Contractor Acknowledgement and Confidentiality Agreement, of the Contract.

7.5.5 The Contractor is authorized to examine the sales or transactions and use tax records of the State Board of Equalization pertaining to sales and use taxes collected for the County. The Contractor must meet all of the following conditions:

- a. The Contractor is required to disclose information contained in, or derived from, those sales or transactions and use tax records only to the officer or employee authorized under Section 1 of Exhibit K, A Resolution of the Board of Supervisors of the County of Los Angeles Authorizing Examination of Sales or Transactions and Use Tax Records, of the Contract;
- b. The Contractor is prohibited from performing consulting services for a retailer during the term of the Contract; and
- c. The Contractor is prohibited from retaining the information contained in, or derived from those sales or transactions and use tax records after the Contract has expired or has terminated.

## **8.0 STANDARD TERMS AND CONDITIONS**

### **8.1 AMENDMENTS**

- 8.1.1 County-Required Amendments. The Board or CEO or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract from time to time. The County reserves the right to add and/or change such provisions as required by the Board or CEO or designee. To implement such changes, an Amendment to the Contract shall be prepared by the County and executed by the Contractor and by the CEO or designee.
- 8.1.2 Non-Material Amendments. For any change requested by the Contractor and approved by the CEO or designee which does not materially affect the scope of work, term of contract, contract rate, contract fees, payments, or any term or condition included under this Contract, an Amendment shall be prepared by the County and executed by the Contractor and by the CEO or designee. The determination of whether a proposed change has a material affect for purposes of this subsection is at the sole discretion of the County.
- 8.1.3 Material Amendments. For any change requested by the Contractor and approved by the CEO or designee which materially affects the scope of work, term of contract, contract rate, contract fees, payments, or any term or condition included under this Contract, an Amendment shall be prepared by the County and executed by the Contractor and by the Board. The determination of whether a proposed change has material affect for purposes of this subsection is at the sole discretion of the County.
- 8.1.4 Extensions of Time. The CEO or designee, may at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0, Term of Contract, of the Contract. The Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared by the County and executed by the Contractor and by the CEO or designee.

- 8.1.5 Notwithstanding Sub-paragraph 8.1.4 above, for: 1) any extensions of the term of this Contract as set forth in Sub-paragraph 4.2 above; and 2) any modification related to Contractor's assignment of this Contract pursuant to Sub-paragraph 8.2.1 below; an Amendment to the Contract shall be prepared by the County and executed by the Contractor and the CEO or designee.

## **8.2 ASSIGNMENT AND DELEGATION**

- 8.2.1 The Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, County consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.
- 8.2.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.
- 8.2.3 Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such



termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

### **8.3 AUTHORIZATION WARRANTY**

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

### **8.4 BUDGET REDUCTIONS**

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Contracts, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Contract.

### **8.5 COMPLAINTS**

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

8.5.1 Within fifteen (15) business days after Contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.

8.5.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.

- 8.5.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.
- 8.5.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.
- 8.5.5 The Contractor shall preliminarily investigate all complaints and notify the County Program Manager of the status of the investigation within five (5) business days of receiving the complaint.
- 8.5.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.7 Copies of all written responses shall be sent to the County Program Manager within three (3) business days of mailing to the complainant.

## **8.6 COMPLIANCE WITH APPLICABLE LAW**

- 8.6.1 In the performance of this Contract, Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 8.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its

sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

## **8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS**

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The Contractor shall comply with Exhibit D - Contractor's EEO Certification.

## **8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM**

### **8.8.1 Jury Service Program:**

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.

### **8.8.2 Written Employee Jury Service Policy.**

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the Contractor shall have and adhere to a written policy that

provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor shall also be subject to the provisions of this sub-paragraph. The provisions of this sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the

Contract and at its sole discretion, that the Contractor demonstrate, to the County's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Program.

4. Contractor's violation of this sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

## **8.9 CONFLICT OF INTEREST**

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.
- 8.9.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this sub-paragraph shall be a material breach of this Contract.

## **8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST**

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

## **8.11 CONSIDERATION OF HIRING GAIN/GROW PARTICIPANTS**

8.11.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor. Contractors shall report all job openings with job requirements to: [GAINGROW@dpss.lacounty.gov](mailto:GAINGROW@dpss.lacounty.gov) to obtain a list of qualified GAIN/GROW job candidates.

8.11.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

## **8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

### **8.12.1 Responsible Contractor**

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

### **8.12.2 Chapter 2.202 of the County Code**

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires

information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

#### **8.12.3 Non-responsible Contractor**

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

#### **8.12.4 Contractor Hearing Board**

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length

of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing



Board pursuant to the same procedures as for a debarment hearing.

6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

#### **8.12.5 Subcontractors of Contractor**

These terms shall also apply to Subcontractors of County Contractors.

### **8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at [www.babysafela.org](http://www.babysafela.org).

### **8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

- 8.14.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

## **8.15 COUNTY'S QUALITY ASSURANCE PLAN**

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors.

The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

## **8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS**

8.16.1 The Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs shall be made immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

8.16.2 If the Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the Contractor by cash payment upon demand.

## **8.17 EMPLOYMENT ELIGIBILITY VERIFICATION**

- 8.17.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.
- 8.17.2 The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

## **8.18 FACSIMILE REPRESENTATIONS**

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to sub-paragraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

## **8.19 FAIR LABOR STANDARDS**

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages,

overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

## **8.20 FORCE MAJEURE**

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this sub-paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

8.20.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

## **8.21 GOVERNING LAW, JURISDICTION, AND VENUE**

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of

California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

## **8.22 INDEPENDENT CONTRACTOR STATUS**

8.22.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.22.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

8.22.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

8.22.4 The Contractor shall adhere to the provisions stated in Paragraph 7.5, Confidentiality, of the Contract.

## **8.23 INDEMNIFICATION**

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract,

except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

## **8.24 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE**

Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraph 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

### **8.24.1 Evidence of Coverage and Notice to County**

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Contract.
- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty

thousand (\$50,000.00) dollars, and list any County required endorsement forms.

- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles Chief Executive Office  
Attention: Matthew McGloin, Manager, CEO  
500 West Temple Street, Room 750  
Los Angeles, CA 90012

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

#### **8.24.2 Additional Insured Status and Scope of Coverage**

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the

County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

#### **8.24.3 Cancellation of or Changes in Insurance**

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

#### **8.24.4 Failure to Maintain Insurance**

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

#### **8.24.5 Insurer Financial Ratings**

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

#### **8.24.6 Contractor's Insurance Shall Be Primary**

Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all



other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

#### **8.24.7 Waivers of Subrogation**

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

#### **8.24.8 Sub-Contractor Insurance Coverage Requirements**

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

#### **8.24.9 Deductibles and Self-Insured Retentions (SIRs)**

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

#### **8.24.10 Claims Made Coverage**

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the

effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

#### **8.24.11 Application of Excess Liability Coverage**

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

#### **8.24.12 Separation of Insureds**

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

#### **8.24.13 Alternative Risk Financing Programs**

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

#### **8.24.14 County Review and Approval of Insurance Requirements**

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

### **8.25 INSURANCE COVERAGE**

#### **8.25.1 Commercial General Liability** insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate: \$2 million

Products/Completed Operations Aggregate: \$1 million

Personal and Advertising Injury: \$1 million

Each Occurrence: \$1 million

8.25.2 **Automobile Liability** insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.25.3 **Workers Compensation and Employers' Liability** insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8.25.4 **Professional Liability/Errors and Omissions**

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

**8.26 LIQUIDATED DAMAGES**

8.26.1 If, in the judgment of the CEO or designee, the Contractor is deemed to be non-compliant with the terms and

obligations assumed hereby, the CEO or designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by the CEO or designee, in a written notice describing the reasons for said action.

8.26.2 If the CEO or designee, determines that there are deficiencies in the performance of this Contract that the CEO or designee, deems are correctable by the Contractor over a certain time span, the CEO or designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the CEO or designee, may: (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the Performance Requirements Summary Chart, as defined in Exhibit A, Statement of Work, Technical Exhibit A-2, Performance Requirements Summary Chart of this Contract, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or (c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

8.26.3 The action noted in Sub-paragraph 8.26.2 shall not be construed as a penalty, but as adjustment of contract fees and payment to the Contractor to recover the County cost

due to the failure of the Contractor to complete or comply with the provisions of this Contract.

- 8.26.4 This Paragraph 8.26, Liquidated Damages, shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or Sub-paragraph 8.26.2, and shall not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

## **8.27 MOST FAVORED PUBLIC ENTITY**

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

## **8.28 NONDISCRIMINATION AND AFFIRMATIVE ACTION**

- 8.28.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.28.2 The Contractor shall certify to, and comply with, the provisions of Exhibit D, Contractor's EEO Certification, of the Contract.
- 8.28.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

- 8.28.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.28.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.28.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.28, Nondiscrimination and Affirmative Action, when so requested by the County.
- 8.28.7 If the County finds that any provisions of this Paragraph 8.28, Nondiscrimination and Affirmative Action, have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.
- 8.28.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

### **8.29 NON EXCLUSIVITY**

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with the Contractor. This Contract shall not restrict the Chief Executive Office from acquiring similar, equal or like goods and/or services from other entities or sources.

### **8.30 NOTICE OF DELAYS**

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

### **8.31 NOTICE OF DISPUTES**

The Contractor shall bring to the attention of the County Program Manager and/or County Program Director any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County Program Manager and/or County Program Director are not able to resolve the dispute, the CEO or designee shall resolve it.

### **8.32 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

The Contractor shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

### **8.33 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

The Contractor shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

### **8.34 NOTICES**

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibit E, County's Administration and Exhibit F, Contractor's Administration, of the Contract. Addresses may be changed by either party giving ten (10) calendar days prior written notice thereof to the other party. The CEO or designee shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

### **8.35 PROHIBITION AGAINST INDUCEMENT OR PERSUASION**

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

### **8.36 PUBLIC RECORDS ACT**

8.36.1 Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Paragraph 8.38, Record Retention and Inspection/Audit Settlement, of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.36.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of



a proposal marked “trade secret”, “confidential”, or “proprietary”, the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney’s fees, in action or liability arising under the Public Records Act.

### **8.37 PUBLICITY**

8.37.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor’s need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County’s Program Director. The County shall not unreasonably withhold written consent.

8.37.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Paragraph 8.37, Publicity, shall apply.

### **8.38 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT**

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof

of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 8.38.1 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.38.2 Failure on the part of the Contractor to comply with any of the provisions of this Paragraph 8.38, Records Retention and Inspection/Audit Settlement, shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 8.38.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference

shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

### **8.39 RECYCLED BOND PAPER**

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

### **8.40 SUBCONTRACTING**

8.40.1 The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

8.40.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- A description of the work to be performed by the Subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

8.40.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.

8.40.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

8.40.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all

personnel, including Subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.

8.40.6 The County Program Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees. After approval of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County for their files.

8.40.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.

8.40.8 The Contractor shall obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor. The Contractor shall ensure delivery of all such documents to:

County of Los Angeles Chief Executive Office  
Attention: Matthew McGloin, Manager, CEO  
500 West Temple Street, Room 750  
Los Angeles, CA 90012

before any Subcontractor employee may perform any work hereunder.

#### **8.41 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 8.14, Contractor's Warranty of Adherence to County's Child Support Compliance Program, of the Contract, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to Paragraph 8.43, Termination for Default, of the Contract and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

## **8.42 TERMINATION FOR CONVENIENCE**

- 8.42.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.
- 8.42.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:
- Stop work under this Contract on the date and to the extent specified in such notice, and
  - Complete performance of such part of the work as shall not have been terminated by such notice.
- 8.42.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with Paragraph 8.38, Record Retention and Inspection/Audit Settlement, the Contract.

## **8.43 TERMINATION FOR DEFAULT**

- 8.43.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of the County Program Director:
- Contractor has materially breached this Contract; or
  - Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
  - Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing)

after receipt of written notice from the County specifying such failure.

- 8.43.2 In the event that the County terminates this Contract in whole or in part as provided in Sub-paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this Sub-paragraph.
- 8.43.3 Except with respect to defaults of any Subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this sub-paragraph, the term "Subcontractor(s)" means Subcontractor(s) at any tier.
- 8.43.4 If, after the County has given notice of termination under the provisions of this Paragraph 8.43, Termination for Default, it is determined by the County that the Contractor was not in default under the provisions of this Paragraph 8.43, Termination for Default, or that the default was excusable

under the provisions of Sub-paragraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 8.42, Termination for Convenience, of the Contract.

- 8.43.5 The rights and remedies of the County provided in this Paragraph 8.43 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.44 TERMINATION FOR IMPROPER CONSIDERATION**

- 8.44.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.
- 8.44.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 8.44.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

#### **8.45 TERMINATION FOR INSOLVENCY**

- 8.45.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:
- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of

business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

8.45.2 The rights and remedies of the County provided in this Paragraph 8.45, Termination for Insolvency, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.46 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE**

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

#### **8.47 TERMINATION FOR NON-APPROPRIATION OF FUNDS**

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County of Los Angeles Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.



#### **8.48 VALIDITY**

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

#### **8.49 WAIVER**

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph 8.49 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.50 WARRANTY AGAINST CONTINGENT FEES**

8.50.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.50.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

#### **8.51 WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it

is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

#### **8.52 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.51, Warranty of Compliance with County's Defaulted Property Tax Reduction Program, of the Contract shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

#### **8.53 TIME OFF FOR VOTING**

The Contractor shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than 10 days before every statewide election, every Contractor and subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

### **9.0 UNIQUE TERMS AND CONDITIONS**

#### **9.1 INTENTIONALLY OMITTED**

#### **9.2 INTENTIONALLY OMITTED**

#### **9.3 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM (if applicable)**

9.3.1 This Contract is subject to the provisions of the County's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.

9.3.2 The Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or

retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

9.3.3 The Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

9.3.4 If the Contractor has obtained certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the contract and/or contract fees; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the state, the Department of Consumer and Business Affairs, and Internal Services Department (ISD) of this information prior to responding to a solicitation or accepting a contract award.

## **9.4 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT**

- 9.4.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through the Contractor's work pursuant to this Contract. The Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all of the Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to the Contractor's work under this Contract.
- 9.4.2 During the term of this Contract and for five (5) years thereafter, the Contractor shall maintain and provide security for all of the Contractor's working papers prepared under this Contract. The County shall have the right to inspect, copy, and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.
- 9.4.3 Any and all materials, software and tools which are developed or were originally acquired by the Contractor outside the scope of this Contract, which the Contractor desires to use hereunder, and which the Contractor considers to be proprietary or confidential, must be specifically identified by the Contractor to the County Program Manager as proprietary or confidential, and shall be plainly and prominently marked by the Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.
- 9.4.4 The County will use reasonable means to ensure that the Contractor's proprietary and/or confidential items are safeguarded and held in confidence. The County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of the Contractor.
- 9.4.5 Notwithstanding any other provision of this Contract, the County will not be obligated to the Contractor in any way under Sub-paragraph 9.4.4 for any of the Contractor's proprietary and/or confidential items which are not plainly

and prominently marked with restrictive legends as required by Sub-paragraph 9.4.3 or for any disclosure which the County is required to make under any state or federal law or order of court.

9.4.6 All the rights and obligations of this Paragraph 9.4 shall survive the expiration or termination of this Contract.

## **9.5 PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION**

9.5.1 The Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of the Contractor's work under this Contract. County shall inform the Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support the Contractor's defense and settlement thereof.

9.5.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, the Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

- Procure for County all rights to continued use of the questioned equipment, part, or software product; or
- Replace the questioned equipment, part, or software product with a non-questioned item; or
- Modify the questioned equipment, part, or software so that it is free of claims.

9.5.3 The Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination

with other items not supplied by the Contractor, in a manner for which the questioned product was not designed nor intended.

**9.6 INTENTIONALLY OMITTED**

**9.7 INTENTIONALLY OMITTED**

**9.8 INTENTIONALLY OMITTED**

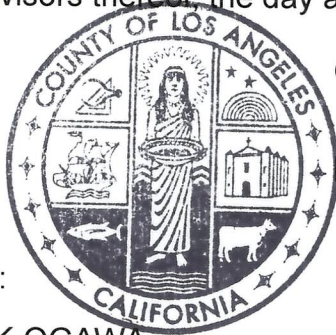
**9.9 INTENTIONALLY OMITTED**

**9.10 USE OF COUNTY SEAL AND LOGO**

Contractor shall not use or display the official seal or logo of the County of Los Angeles and any of its departments on any of its letterheads or other communications with any business or for any reason unless each form of usage has prior written approval of the County.

**CONTRACT  
BY AND BETWEEN  
COUNTY OF LOS ANGELES  
AND  
HINDERLITER, DE LLAMAS AND ASSOCIATES  
FOR  
SALES AND USE TAX AUDITING SERVICES**

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.



COUNTY OF LOS ANGELES

By Mike Antonovich

MICHAEL D. ANTONOVICH  
Mayor, Board of Supervisors

ATTEST:

PATRICK OGAWA  
Acting Executive Officer  
of the Board of Supervisors

By Anta

Deputy

I hereby certify that pursuant to  
Section 25103 of the Government Code,  
delivery of this document has been made.

HINDERLITER, DE LLAMAS AND ASSOCIATES

By Andrew Nickerson

Name Andrew Nickerson

Title President

PATRICK OGAWA  
Acting Executive Officer  
Clerk of the Board of Supervisors

By Anta

APPROVED AS TO FORM:  
Deputy

MARK J. SALADINO  
County Counsel

By U.S. Buf  
Senior Associate County Counsel

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

16

JUN 09 2015

Contract  
Sales and Use Tax Auditing Services  
June 2015

Patrick Ogawa  
PATRICK OGAWA  
ACTING EXECUTIVE OFFICER

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# **EXHIBIT A**

## **STATEMENT OF WORK**

### **SALES AND USE TAX AUDITING SERVICES**



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#### **EXHIBITS**

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- A-2 PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

# STATEMENT OF WORK (SOW)

## 1.0 SCOPE OF WORK

After the County of Los Angeles (County) has performed an in-house Sales and Use Tax Audit, the Contractor shall represent the County for the purpose of examining and researching records pertaining to Sales or Transactions and Use Tax to discover specialized “point of sale” audits and of “misallocations” between sales and use taxes that were not discovered previously by the County.

The County, after its in-house audit, will turn over to the Contractor copies of edited California State Board of Equalization (BOE) Sales and Use Tax files, Registration and Allocation of Taxes, and a list of the permit numbers for which the County has submitted or will submit corrections. The Contractor should not submit corrections previously identified by the County, and the Contractor will not be remunerated for corrections previously identified by the County. The County will review and approve corrections proposed by the Contractor prior to the corrections being sent to BOE.

## 2.0 SPECIFIC TASKS

### 2.1 Contractor Reports

The Contractor shall provide the following quarterly reports in an *electronic spreadsheet* format approved by the County:

- A) A listing of the proposed new corrections by permit numbers. For each correction, the type of error must be identified, such as point of sale, geography or misallocation between sales and use taxes.
- B) For each proposed correction, the fields on State Board of Equalization (BOE) form “Claimed Incorrect Distribution of Local Tax--Short Form” BOE-549-S REV. 1 (12-02).
- C) A listing of the revenue recovery by permit number being claimed by the Contractor. For each permit number, the revenue recovery should be itemized by quarter. For each permit number, the quarter for which revenue recovery began should be indicated.
- D) For each quarter, a full-year sales and use tax projection for the current fiscal year and the subsequent budget year for sales and use tax collected in County of Los Angeles unincorporated areas.

### 2.2 Education Programs

Contractor shall, as directed by the County Program Manager, furnish a minimum of one (1) six-hour training session for up to six (6) County personnel on Sales

and Use Tax Auditing during each year of the Contract period at no cost to the County. Training may include, but is not limited to the following:

- A) Understanding of sales, use and transaction tax regulations and allocation procedures.
- B) Procedures involved in performing field reviews.
- C) Allocation of sales to “point of sale” versus state or county allocation pools.
- D) How to deal with the State Board of Equalization and taxpayers when submitting and requesting information.

### **1.3 Amendments**

All changes to the SOW must be made in accordance with Paragraph 8.1, Amendments, of the Contract.

## **3.0 QUALITY CONTROL**

The Contractor shall establish and utilize a comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of the Contract. The Plan shall be submitted to the County Program Manager for review. The plan shall include, but may not be limited to the following:

- 3.1 Method of monitoring to ensure that Contract requirements are being met;
- 3.2 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County upon request.

## **4.0 QUALITY ASSURANCE PLAN**

The County will evaluate the Contractor’s performance under this Contract using the quality assurance procedures as set forth in Paragraph 8.15, County’s Quality Assurance Plan, of the Contract.

### **4.1 Performance Evaluation Meetings**

- 4.1.1 The Contractor Project Manager or the designated alternate may be required to meet at least weekly with the County Program Manager during the first three (3) months of the Contract, if the County finds it necessary. However, a meeting will be held whenever a Contract Discrepancy Report (CDR) is issued. A mutual effort will be made to resolve all problems identified.
- 4.1.2 After the first three (3) months of operation, the Contractor Project Manager and County Program Manager shall meet during the term of the Contract at

quarterly intervals. The purpose of such meetings shall be to review the Contractor's performance and the County's monitoring function and to discuss methods and plans to maintain or improve effectiveness of services provided to the County under the Contract.

#### **4.2 Contract Discrepancy Report (Exhibit A, Statement of Work, Technical Exhibit A-1)**

Verbal notification of a contract discrepancy will be made to the County Program Manager as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor.

The County Program Manager will determine whether a formal Contract Discrepancy Report (CDR) shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the County Program Manager within five (5) business days, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the CDR shall be submitted to the County Program Manager within ten (10) business days, or as otherwise specified by the County Program Manager. Contractor shall present any contrary evidence or acknowledge the reported deficiencies, and present a program for immediate correction.

The County Program Director shall evaluate the Contractor's explanation and determine what further action, if any, should be taken. Failure on the part of the Contractor to perform at an acceptable level shall constitute grounds for termination of the Contract.

#### **4.3 County Observations**

County and/or personnel from other governmental jurisdictions, in addition to the County Program Manager, may from time to time be authorized by the County to observe contract operations, performance, activities, and review documents relevant to this Contract at any time Monday through Friday during normal business hours. However, these personnel may not unreasonably interfere with the Contractor's performance.

### **5.0 DEFINITIONS**

Definitions of various terms used in the SOW are provided in Paragraph 2.0, Definitions, of the Contract.

## **6.0 RESPONSIBILITIES**

The County's and the Contractor's responsibilities are as follows:

### **COUNTY**

#### **6.1 Personnel**

The County will administer the Contract according to Paragraph 6.0, Administration of Contract - County, of the Contract. Specific duties will include but not be limited to:

- 6.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.
- 6.1.2 Providing direction to the Contractor in areas relating to policy, information and procedural requirements.
- 6.1.3 Preparing Amendments in accordance with Paragraph 8.0, Paragraph 8.1, Amendments, of the Contract.

#### **6.2 Furnished Items**

- 6.2.1 The County shall not be responsible for costs incurred by the Contractor in providing services under the Contract. The County, after its in-house audit, will turn over to the Contractor copies of edited California State Board of Equalization (BOE) Sales and Use Tax files, Registration and Allocation of Taxes, and a list of the permit numbers for which the County has submitted or will submit corrections.
- 6.2.2 Contractor shall furnish all personnel, supplies, equipment, facilities, and systems necessary to perform all services required under the Contract.

### **CONTRACTOR**

#### **6.3 Contractor Project Manager**

- 6.3.1 Contractor shall provide its own full-time officer or employee as the Contractor Project Manager or designated alternate and clearly identify the person in the proposal. County must have access to the Contractor Project Manager during business hours 8:00 a.m. – 5:00 p.m. Pacific Time, Monday through Friday, excluding County-recognized holidays. Contractor shall provide a telephone number where the Contractor Project Manager may be reached on daily basis during business hours Monday through Friday, excluding County-recognized holidays.
- 6.3.2 Contractor Project Manager shall act as a central point of contact with the County.

- 6.3.3 Contractor Project Manager shall have a minimum of five (5) years of experience within the last ten (10) years, providing sales and use tax auditing services to governmental entities or services equivalent and similar in scope to the services identified in Exhibit A, Statement of Work, of this Contract and a minimum of three (3) years of experience within the last five (5) years working with the California State Board of Equalization (BOE).
- 6.3.4 Contractor Project Manager/alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract. Contractor Project Manager/alternate shall be able to effectively communicate, in English, both orally and in writing.

#### **6.4 Personnel**

- 6.4.1 Contractor shall assign a sufficient number of employees to perform the required work. Employees performing services under the Contract shall be authorized to act for Contractor in every detail and must speak and understand English. County shall have the right to review and approve potential staff prior to assignment.
- 6.4.2 Contractor shall be required to background check their employees as set forth in Paragraph 7.4, Background & Security Investigations, of the Contract.
- 6.4.3 Contractor shall give advance notice to the County Program Manager in writing with ten (10) business days, of any change in Contractor personnel assigned to perform any work on the Contract.
- 6.4.4 The County shall have the right to require any personnel assigned by the Contractor to perform sales and use tax auditing services under this Contract, who in the opinion of the County is unsatisfactory to be promptly removed and replaced by the Contractor when requested to do so.

#### **6.5 Uniforms/Identification Badges**

- 6.5.1 Contractor employees assigned to County facilities shall wear an appropriate uniform at all times. Uniform is to consist of a shirt with the company name on it. Uniform pants are optional. All uniforms, as required and approved by the County, will be provided by and at Contractor's expense.
- 6.5.2 Contractor shall ensure their employees are appropriately identified as set forth in Paragraph 7.3, Contractor's Staff Identification, of the Contract.

#### **6.6 Materials and Equipment**

The purchase of all materials/equipment to provide the needed services is the responsibility of the Contractor. Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.

## **6.7 Training**

6.7.1 Contractor shall provide training programs for all new employees and continuing in-service training for all employees.

6.7.2 All employees shall be trained in their assigned tasks and in the safe handling of equipment. All equipment shall be checked daily for safety, as applicable. All employees must wear safety and protective gear according to OSHA standards, as applicable.

## **6.8 Confidentiality**

Contractor must ensure all records and information obtained during the provision of sales or transactions and use tax auditing services under the Contract shall at all times remain confidential. Contractor shall be responsible for safeguarding all records and information provided for use by the Contractor during the term of the Contract. Contractor shall ensure and maintain all confidentiality provisions of the Contract as set forth in Paragraph 7.5, Confidentiality, of the Contract.

## **6.9 Contractor's Office**

Contractor shall maintain a business office (physical location) with a telephone in the company's name where Contractor conducts business. The office shall be staffed during the hours of 8:00 a.m. to 5:00 p.m., Pacific Time, Monday through Friday, by at least one (1) employee who can respond to inquiries and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, an answering service shall be provided to receive calls. **The Contractor shall answer calls received by the answering service within two (2) hours of receipt of the call.**

## **7.0 HOURS/DAYS OF OPERATION**

Contractor shall have and maintain during the term of the Contract, a business office (physical location) in Southern California. Contractor's office shall be staffed during the hours of 8:00 a.m. to 5:00 p.m., Pacific Time, Monday through Friday, excluding County-recognized holidays. These holidays change from year to year. The County Program Manager will provide the Contractor a list of County holidays following approval of the Contract and annually, at the beginning of the calendar year.

## **8.0 INTENTIONALLY OMITTED**

## **9.0 INTENTIONALLY OMITTED**

## **10.0 INTENTIONALLY OMITTED**



## **11.0 GREEN INITIATIVES**

- 11.1 Contractor shall use reasonable efforts to initiate “green” practices for environmental and energy conservation benefits.
- 11.2 Contractor shall notify the County Program Manager of Contractor’s new green initiatives prior to commencement of the Contract and during the term of the Contract.

## **12.0 PERFORMANCE REQUIREMENTS SUMMARY**

A Performance Requirements Summary (PRS) Chart, Exhibit A, Statement of Work, Technical Exhibit A-2, of the Contract, listing required services that will be monitored by the County during the term of this Contract is an important monitoring tool for the County. The PRS Chart should:

- reference section of the contract
- list required services
- indicate method of monitoring
- indicate the deductions/fees to be assessed for each service that is not satisfactory

All listings of services used in the PRS Chart are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and the PRS Chart, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in the PRS Chart which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on Contractor.

# TECHNICAL EXHIBITS TO THE STATEMENT OF WORK

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### PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

REQUIRED SERVICES	PERFORMANCE INDICATOR	STANDARD	ACCEPTABLE QUALITY LEVEL (AQL)	METHOD OF SURVEILLANCE	DEDUCTIONS FOR FAILURE TO MEET THE AQL
Overall compliance with the Scope of Work. Exhibit A, SOW, Section 1.0.	County/Contractor records	Adhere to County requirements	100%	<ul style="list-style-type: none"> <li>▪ Inspection and Observation</li> <li>▪ Information from Contractor Reports</li> <li>▪ Inspection of Files</li> <li>▪ User Complaints</li> </ul>	Up to \$100 per occurrence
Maintain compliance with specific tasks and requirements for the provision of sales and use tax auditing services. Exhibit A, SOW, Section 2.0.	County/Contractor records	Adhere to County requirements	100%	<ul style="list-style-type: none"> <li>▪ Inspection and Observation</li> <li>▪ Information from Contractor Reports</li> <li>▪ Inspection of Files</li> <li>▪ User Complaints</li> </ul>	Up to \$100 per occurrence
Maintain compliance with specific requirements for the provision of Contractor Reports. Exhibit A, SOW, Section 2.1.	County/Contractor records	Adhere to County requirements	100%	<ul style="list-style-type: none"> <li>▪ Inspection and Observation</li> <li>▪ Information from Contractor Reports</li> <li>▪ Inspection of Files</li> <li>▪ User Complaints</li> </ul>	Up to \$100 per occurrence
Maintain compliance with specific requirements for the provision of Education Programs. Exhibit A, SOW, Section 2.2.	County/Contractor records	Adhere to County requirements	100%	<ul style="list-style-type: none"> <li>▪ Inspection and Observation</li> <li>▪ Information from Contractor Reports</li> <li>▪ Inspection of Files</li> <li>▪ User Complaints</li> </ul>	Up to \$100 per occurrence

<b>REQUIRED SERVICES</b>	<b>PERFORMANCE INDICATOR</b>	<b>STANDARD</b>	<b>ACCEPTABLE QUALITY LEVEL (AQL)</b>	<b>METHOD OF SURVEILLANCE</b>	<b>DEDUCTIONS FOR FAILURE TO MEET THE AQL</b>
Maintain Quality Control Plan. Exhibit A, SOW, Section 3.0.	County/Contractor records	Adhere to County requirements	100%	<ul style="list-style-type: none"> <li>▪ Inspection and Observation</li> <li>▪ Information from Contractor Reports</li> <li>▪ Inspection of Files</li> <li>▪ User Complaints</li> </ul>	Up to \$100 per occurrence
Maintain Quality Assurance Plan and specific requirements to attend meetings. Exhibit A, SOW, Section 4.0.	County/Contractor records	Adhere to County requirements	100%	<ul style="list-style-type: none"> <li>▪ Inspection and Observation</li> <li>▪ Information from Contractor Reports</li> <li>▪ Inspection of Files</li> <li>▪ User Complaints</li> <li>▪ Attendance</li> </ul>	Up to \$100 per occurrence
Maintain Contractor Responsibilities. Exhibit A, SOW, Sections 6.3 through 6.9.	County/Contractor records	Adhere to County requirements	100%	<ul style="list-style-type: none"> <li>▪ Inspection and Observation</li> <li>▪ Information from Contractor Reports</li> <li>▪ Inspection of Files</li> <li>▪ User Complaints</li> </ul>	Up to \$100 per occurrence
Maintain compliance with requirements of hours/days of operation during term of the Contract. Exhibit A, SOW, Section 7.0.	County/Contractor records	Adhere to County requirements	100%	<ul style="list-style-type: none"> <li>▪ Inspection and Observation</li> <li>▪ Information from Contractor Reports</li> <li>▪ Inspection of Files</li> <li>▪ User Complaints</li> </ul>	Up to \$100 per occurrence
Ensure the use of reasonable efforts to comply with green initiatives during term of the Contract. Exhibit A, SOW, Section 11.0.	County/Contractor records	Adhere to County requirements	100%	<ul style="list-style-type: none"> <li>▪ Inspection and Observation</li> <li>▪ Information from Contractor Reports</li> <li>▪ Inspection of Files</li> <li>▪ User Complaints</li> </ul>	Up to \$100 per occurrence

<b>REQUIRED SERVICES</b>	<b>PERFORMANCE INDICATOR</b>	<b>STANDARD</b>	<b>ACCEPTABLE QUALITY LEVEL (AQL)</b>	<b>METHOD OF SURVEILLANCE</b>	<b>DEDUCTIONS FOR FAILURE TO MEET THE AQL</b>
Notify in writing of any change in name or address of the Contractor Project Manager. Paragraph 7.0, of this Contract.	County/Contractor records	Adhere to County requirements	100%	<ul style="list-style-type: none"> <li>▪ Inspection and Observation</li> <li>▪ Information from Contractor Reports</li> <li>▪ Inspection of Files</li> <li>▪ User Complaints</li> </ul>	Up to \$100 per occurrence
Obtain County's written approval prior to subcontracting any work. Paragraph 8.40, of this Contract.	County/Contractor records	Adhere to County requirements	100%	<ul style="list-style-type: none"> <li>▪ Inspection and Observation</li> <li>▪ Information from Contractor Reports</li> <li>▪ Inspection of Files</li> <li>▪ User Complaints</li> </ul>	Up to \$100 per occurrence; possible termination for default of Contract

## **EXHIBIT B**

### **PRICING SHEET**

**PRICING SHEET**

**HINDERLITER, DE LLAMAS AND ASSOCIATES**

**SALES AND USE TAX AUDITING SERVICES**

**Sales and Use Tax Auditing Services Contract Rate:**

The Contractor shall be paid for the required services as described in the Statement of Work, Exhibit A, of the Contract and in accordance with the rates set forth herein. The Contractor shall be paid a percentage share of incremental sales and use tax revenue (see below).

**Percentage Share of Incremental Sales and Use Tax Revenue Recovered:**

15% of the first \$1,000,000 in sales and use tax recovered per petition;  
10% for \$1,000,001 to \$2,500,000; and  
5% for \$2,500,001 and up.

Payment to the Contractor shall be made based on recoveries for nine (9) consecutive quarters on an accrual basis, commencing with the sales quarter in which the County receives the recovered revenues. Payment will be issued on a quarterly basis upon verification by the California State Board of Equalization (BOE) of revenues received by the County.

The revenues recovered must be certified in accordance with the BOE *Audit Manual, General Audit Procedures*.



## **EXHIBIT C**

**INTENTIONALLY OMITTED**

## **EXHIBIT D**

### **CONTRACTOR'S EEO CERTIFICATION**

**REQUIRED FORMS - EXHIBIT 8**  
**PROPOSER'S EEO CERTIFICATION**

Hinderliter, de Llamas and Associates

Company Name

1340 Valley Vista Drive #200, Diamond Bar, CA 91765

Address

33-0008507

Internal Revenue Service Employer Identification Number

**GENERAL**

In accordance with provisions of the County Code of the County of Los Angeles, the Proposer certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CERTIFICATION	YES	NO
1. Proposer has written policy statement prohibiting discrimination in all phases of employment.	( X )	( )
2. Proposer periodically conducts a self-analysis or utilization analysis of its work force.	( X )	( )
3. Proposer has a system for determining if its employment practices are discriminatory against protected groups.	( X )	( )
4. When problem areas are identified in employment practices, Proposer has a system for taking reasonable corrective action to include establishment of goal and/or timetables.	( X )	( )



Signature

January 21, 2015

Date

Andrew Nickerson, President

Name and Title of Signer (please print)

## **EXHIBIT E**

### **COUNTY'S ADMINISTRATION**

**COUNTY'S ADMINISTRATION**

CONTRACT NO.: \_\_\_\_\_

**COUNTY PROGRAM DIRECTOR**

Name: Matthew McGloin

Title: Manager, CEO

Address: 500 West Temple Street, Room 750  
Los Angeles, CA 90012

Telephone: (213) 974-1694 Facsimile: \_\_\_\_\_

E-Mail Address: mmcgloin@ceo.lacounty.gov

**COUNTY PROGRAM MANAGER**

Name: Vicky To

Title: Administrative Services Manager I

Address: 500 West Temple Street, Room 750  
Los Angeles, CA 90012

Telephone: (213) 974-1024 Facsimile: \_\_\_\_\_

E-Mail Address: yto@ceo.lacounty.gov

## **EXHIBIT F**

### **CONTRACTOR'S ADMINISTRATION**

**CONTRACTOR'S ADMINISTRATION**

**CONTRACTOR'S NAME:** \_\_\_\_\_

**CONTRACT NO:** \_\_\_\_\_

**CONTRACTOR'S PROJECT MANAGER:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**CONTRACTOR'S AUTHORIZED OFFICIAL(S)**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**Notices to Contractor shall be sent to the following:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

# **EXHIBIT G**

## **CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**

(FORM REQUIRED AT THE TIME OF CONTRACT EXECUTION)



**CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**

CONTRACTOR NAME \_\_\_\_\_ Contract No. \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

**CONTRACTOR ACKNOWLEDGEMENT:**

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

**CONFIDENTIALITY AGREEMENT:**

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

## **EXHIBIT H**

### **JURY SERVICE ORDINANCE**

**Title 2 ADMINISTRATION**  
**Chapter 2.203.010 through 2.203.090**  
**CONTRACTOR EMPLOYEE JURY SERVICE**

Page 1 of 3

**2.203.010 Findings.**

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.020 Definitions.**

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
  - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
  - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
  - 3. A purchase made through a state or federal contract; or
  - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
  - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
  - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
  - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
  - 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

**Title 2 ADMINISTRATION**  
**Chapter 2.203.010 through 2.203.090**  
**CONTRACTOR EMPLOYEE JURY SERVICE**

Page 2 of 3

- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
  2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

**2.203.030 Applicability.**

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

**2.203.040 Contractor Jury Service Policy.**

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.050 Other Provisions.**

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.060 Enforcement and Remedies.**

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

**Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE**

Page 3 of 3

**2.203.070. Exceptions.**

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
  - 1. Has ten or fewer employees during the contract period; and,
  - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
  - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.090. Severability.**

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

# **EXHIBIT I**

## **SAFELY SURRENDERED BABY LAW**

# *Safely* Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

[www.babysafela.org](http://www.babysafela.org)





# Safely Surrendered Baby Law

## What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

*Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.*

## How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

## What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

## Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

## Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

## Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

## What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

## What happens to the parent or surrendering adult?

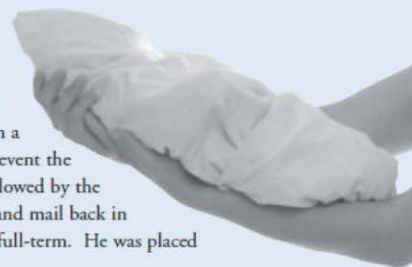
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

## Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

## A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.





# *Ley de* Entrega de Bebés *Sin Peligro*



*Los recién nacidos pueden ser entregados en forma segura al personal  
de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles*

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

[www.babysafela.org](http://www.babysafela.org)



En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

# Ley de Entrega de Bebés Sin Peligro

## ¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

*Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.*

## ¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

## ¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

## ¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

## ¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

## ¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

## ¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

## ¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

## ¿Por qué se está haciendo esto en California?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

## Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



## **EXHIBIT J**

### **CONTRACTOR'S ASSIGNMENT AND TRANSFER OF COPYRIGHT**

(FORM REQUIRED AT THE COMPLETION OF THE CONTRACT WHEN THE WORK INVOLVED  
INTELLECTUAL PROPERTY DEVELOPED/DESIGNED BY CONTRACTOR)

CONTRACTOR'S ASSIGNMENT AND TRANSFER OF COPYRIGHT

For good and valuable consideration, receipt of which is hereby acknowledged, the undersigned, \_\_\_\_\_, a \_\_\_\_\_, ("Grantor") does hereby assign, grant, convey and transfer to the County of Los Angeles, California ("Grantee") and its successors and assigns throughout the world in perpetuity, all of Grantor's right, title and interest of every kind and nature in and to all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training aids, training documentation and aids, and other information and/or tools of all types (including, without limitation, those items listed on Schedule A, attached hereto and incorporated herein by reference) developed or acquired, in whole or in part, under the Agreement described below, including, but not limited to, all right, title and interest in and to all copyrights and works protectable by copyright and all renewals and extensions thereof (collectively, the "Works"), and in and to all copyrights and right, title and interest of every kind or nature, without limitation, in and to all works based thereon, incorporated in, derived from, incorporating or relating to, the Works or from which the Works are derived.

Without limiting the generality of the foregoing, the aforesaid conveyance and assignment shall include, but is not limited to, all prior choices-in-action, at law, in equity and otherwise, the right to recover all damages and other sums, and the right to other relief allowed or awarded at law, in equity, by statute or otherwise.

Grantor and Grantee have entered into County of Los Angeles Agreement Number \_\_\_\_\_

for \_\_\_\_\_,

dated \_\_\_\_\_, as amended by Amendment Number \_\_\_\_\_, dated \_\_\_\_\_,

*{NOTE to Preparer: reference all existing Amendments}* as the same hereafter may be amended or otherwise modified from time to time (the "Agreement").

\_\_\_\_\_  
Grantor's Signature

\_\_\_\_\_  
Date

Grantor's Printed Name: \_\_\_\_\_

Grantor's Printed Position: \_\_\_\_\_

## **EXHIBIT K**

### **A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AUTHORIZING EXAMINATION OF SALES OR TRANSACTIONS AND USE TAX RECORDS**

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF LOS ANGELES  
AUTHORIZING EXAMINATION OF SALES OR TRANSACTIONS AND USE TAX RECORDS

WHEREAS, pursuant to ordinance, the County of Los Angeles entered into a contract with the State Board of Equalization to perform all functions incident to the administration and collection of local sales or transactions and use taxes; and

WHEREAS, the Board of Supervisors of the County of Los Angeles deems it desirable and necessary for authorized representatives of the County to examine confidential sales or transactions and use tax records of the State Board of Equalization, pertaining to sales or transactions and use taxes collected by the State Board of Equalization for the County pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of State Board of Equalization records, and Section 7056.5 establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales and use tax records of the State Board of Equalization:

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES HEREBY RESOLVES AS FOLLOWS:

Section 1. That the County Chief Executive Officer, or other officer or employee of the County designated in writing by the County Chief Executive Officer to the State Board of Equalization (hereafter referred to as Board), is hereby appointed to represent the County of Los Angeles with authority to examine sales or transactions and use tax records of the Board pertaining to sales or transactions and use taxes collected for the County by the Board pursuant to the contract between the County and the Board. The information obtained by examination of Board records shall be used only for purposes related to the collection of County sales or transactions and use taxes by the Board pursuant to that contract.

Section 2. That Hinderliter, de Llamas and Associates is hereby authorized to examine the sales or transactions and use tax records of the Board pertaining to sales and use taxes collected for the County by the Board. Hinderliter, de Llamas and Associates meets all of the following conditions:

- (a) has an existing contract with the County to examine those sales or transactions and use tax records;
- (b) is required by that contract to disclose information contained in, or derived from, those sales or transactions and use tax records only to the officer or employee authorized under Section 1 of this resolution to examine the information.
- (c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract; and

- (d) is prohibited by that contract from retaining the information contained in, or derived from those sales or transactions and use tax records after that contract has expired.

The information obtained by examination of Board records shall be used only for purposes related to the collection of County sales or transactions and use taxes by the Board pursuant to the contract between the County and the Board.

The foregoing resolution was adopted on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board of Supervisors so acts.

PATRICK OGAWA  
Acting Executive Officer-Clerk of the Board of  
Supervisors of the County of Los Angeles

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

MARK J. SALADINO  
County Counsel

By \_\_\_\_\_  
Michael S. Buennagel, Senior Associate County Counsel

I, \_\_\_\_\_, Acting Executive Officer/Clerk of the Board of Supervisors of the County of Los Angeles, California, DO HEREBY CERTIFY that the foregoing resolution was duly introduced, approved and adopted by the Board of Supervisors of the County of Los Angeles, at a regular meeting of said Board held on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, by the following roll call vote:

AYES:

NOES:

ABSENT:

(S) \_\_\_\_\_  
County Clerk

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE  
COUNTY OF LOS ANGELES AUTHORIZING EXAMINATION  
OF SALES OR TRANSACTIONS AND USE TAX RECORDS**



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF LOS ANGELES  
AUTHORIZING EXAMINATION OF SALES OR TRANSACTIONS AND USE TAX RECORDS

WHEREAS, pursuant to ordinance, the County of Los Angeles entered into a contract with the State Board of Equalization to perform all functions incident to the administration and collection of local sales or transactions and use taxes; and

WHEREAS, the Board of Supervisors of the County of Los Angeles deems it desirable and necessary for authorized representatives of the County to examine confidential sales or transactions and use tax records of the State Board of Equalization, pertaining to sales or transactions and use taxes collected by the State Board of Equalization for the County pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of State Board of Equalization records, and Section 7056.5 establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales and use tax records of the State Board of Equalization:

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES HEREBY RESOLVES AS FOLLOWS:

Section 1. That the County Chief Executive Officer, or other officer or employee of the County designated in writing by the County Chief Executive Officer to the State Board of Equalization (hereafter referred to as Board), is hereby appointed to represent the County of Los Angeles with authority to examine sales or transactions and use tax records of the Board pertaining to sales or transactions and use taxes collected for the County by the Board pursuant to the contract between the County and the Board. The information obtained by examination of Board records shall be used only for purposes related to the collection of County sales or transactions and use taxes by the Board pursuant to that contract.

Section 2. That Hinderliter, de Llamas and Associates is hereby authorized to examine the sales or transactions and use tax records of the Board pertaining to sales and use taxes collected for the County by the Board. Hinderliter, de Llamas and Associates meets all of the following conditions:

- (a) has an existing contract with the County to examine those sales or transactions and use tax records;
- (b) is required by that contract to disclose information contained in, or derived from, those sales or transactions and use tax records only to the officer or employee authorized under Section 1 of this resolution to examine the information.
- (c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract; and

- (d) is prohibited by that contract from retaining the information contained in, or derived from those sales or transactions and use tax records after that contract has expired.

The information obtained by examination of Board records shall be used only for purposes related to the collection of County sales or transactions and use taxes by the Board pursuant to the contract between the County and the Board.

The foregoing resolution was adopted on the 9<sup>th</sup> day of June, 2015, by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board of Supervisors so acts.



PATRICK OGAWA

Acting Executive Officer-Clerk of the Board of Supervisors of the County of Los Angeles

By [Signature]  
Deputy

APPROVED AS TO FORM:

MARK J. SALADINO  
County Counsel

By [Signature]  
Michael S. Buennagel, Senior Associate County Counsel

I, PATRICK OGAWA, Acting Executive Officer/Clerk of the Board of Supervisors of the County of Los Angeles, California, DO HEREBY CERTIFY that the foregoing resolution was duly introduced, approved and adopted by the Board of Supervisors of the County of Los Angeles, at a regular meeting of said Board held on the 9<sup>th</sup> day of June, 2015, by the following roll call vote:

AYES: Supervisors Solis, Ridley-Thomas, Kuehl, Knabe and Antonovich

NOES: None

ABSENT: None

(S) \_\_\_\_\_  
County Clerk